

PURPOSE

This budget provides funding for debt service payments, including bonds and lease-purchase agreements, for nonschool projects. It also provides for a contingency reserve to pay for needs caused by unforeseen events falling into three categories: 1) Catastrophic reserves, to provide limited emergency funds in the event of natural or man-made disasters; 2) Operational reserves, to provide additional funds for limited unexpected service needs; and 3) Revenue reserves, to provide limited funds to smooth fluctuations in revenues caused by changes in economic conditions.

BUDGET SUMMARY

	FY 98 Budget	FY 99 Budget	FY 00 Budget
Debt Service	\$ 1,300,000	\$ 1,420,000	\$ 1,540,000
Innovation	25,000	25,000	25,000
Contingency	288,390	318,000	337,080
Total	\$ <u>1,613,390</u>	\$ <u>1,763,000</u>	\$ <u>1,902,080</u>

BUDGET COMMENTS

Contingency is estimated at less than one half of 1 percent of the total percent in an effort to establish a small fund for possible contingent events. A small reserve has been established to provide “seed” money for departments to develop approved innovation projects. The debt service increase is targeted for Virginia Public School Authority bond issues for school projects.

